

Bidding and Purchasing Laws
Certificate on Risk Management Program
Utah Counties Insurance Pool
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Bidding and Purchasing Statutes

17-50-302. General county powers.

- (2) (a) A county may:
 - (ii) subject to Subsection (2)(c), acquire real property by tax sale, purchase, lease, contract, or gift, and hold the real property as necessary and proper for county purposes;

17-50-312. Acquisition, management, and disposal of property.

- (1) Subject to Subsection (4), a county may purchase, receive, hold, sell, lease, convey, or otherwise acquire and dispose of any real or personal property or any interest in such property that it determines to be in the public interest.
- (2) Any property interest acquired by the county shall be held in the name of the county unless specifically otherwise provided by law.
- (3) The county legislative body shall provide by ordinance, resolution, rule, or regulation for the manner in which property shall be acquired, managed, and disposed of.
- (4) (a) Before a county may dispose of a significant parcel of real property, the county shall:
 - (i) provide reasonable notice of the proposed disposition at least 14 days before the opportunity for public comment under Subsection (4)(a)(ii); and
 - (ii) allow an opportunity for public comment on the proposed disposition.
- (b) Each county shall, by ordinance, define what constitutes:
 - (i) a significant parcel of real property for purposes of Subsection (4)(a); and
 - (ii) reasonable notice for purposes of Subsection (4)(a)(i).

11-39-103. Requirements for undertaking a building improvement or public works project -- Request for bids -- Authority to reject bids.

- (1) If the estimated cost of the building improvement or public works project exceeds the bid limit, the local entity shall, if it determines to proceed with the building improvement or public works project:
 - (a) request bids for completion of the building improvement or public works project by:
 - (i) publishing notice at least twice in a newspaper published or of general circulation in the local entity at least five days before opening the bids; or
 - (ii) if there is no newspaper published or of general circulation in the local entity, posting notice at least five days before opening the bids in at least five public places in the local entity and leaving the notice posted for at least three days; and

- (b) except as provided in Subsection (3), enter into a contract for the completion of the building improvement or public works project with:
 - (i) the lowest responsive responsible bidder; or
 - (ii) for a design-build project that the local entity began formulating before March 1, 2004 and with respect to which a contract is entered into before September 1, 2004, a responsible bidder that:
 - (A) offers design-build services; and
 - (B) satisfies the local entity's criteria relating to financial strength, past performance, integrity, reliability, and other factors that the local entity uses to assess the ability of a bidder to perform fully and in good faith
- (2)
 - (a) Each notice under Subsection (1)(a) shall indicate that the local entity may reject any or all bids submitted.
 - (b)
 - (i) The cost of a building improvement or public works project may not be divided to avoid:
 - (A) exceeding the bid limit; and
 - (B) subjecting the local entity to the requirements of this section.
 - (ii) Notwithstanding Subsection (2)(b)(i), a local entity may divide the cost of a building improvement or public works project that would, without dividing, exceed the bid limit if the local entity complies with the requirements of this section with respect to each part of the building improvement or public works project that results from dividing the cost.
- (3)
 - (a) The local entity may reject any or all bids submitted.
 - (b) If the local entity rejects all bids submitted but still intends to undertake the building improvement or public works project, the local entity shall again request bids by following the procedure provided in Subsection (1)(a).
 - (c) If, after twice requesting bids by following the procedure provided in Subsection (1)(a), the local entity determines that no satisfactory bid has been submitted, the legislative body may undertake the building improvement or public works project as it considers appropriate.

11-39-104. Exceptions.

- (1) The requirements of Section 11-39-103 do not apply to:
 - (a) emergency repairs;
 - (b) a building improvement or public works project if the estimated cost under Section 11-39-102 is less than the bid limit; or
 - (c) the conduct or management of any of the departments, business, or property of the local entity.

- (2) This section may not be construed to limit the application of Section 72-6-108 to an improvement project, as defined in Section 72-6-109, that would otherwise be subject to Section 72-6-108.

17-53-225. County legislative body may adopt Utah Procurement Code -- Retention of records.

- (1) A county legislative body may adopt any or all of the provisions of Title 63, Chapter 56, Utah Procurement Code, or the rules promulgated pursuant to that code.
- (2) Whenever any county is required by law to receive bids for purchases, construction, repairs, or any other purpose requiring the expenditure of funds, that county shall keep on file all bids received, together with proof of advertisement by publication or otherwise, for:
- (a) at least three years following the letting of any contract pursuant to those bids; or
 - (b) three years following the first advertisement.

17-53-307. County purchasing agent -- Appointment -- Compensation -- Oath -- Duties.

- (1) The county executive, with the advice and consent of the county legislative body, in each county having a taxable value in excess of \$500,000,000 may appoint a county purchasing agent.
- (2) The agent shall qualify by taking, subscribing, and filing the constitutional oath and giving bond to the county in a sum fixed by the county legislative body.
- (3) The county purchasing agent shall, under the direction and supervision of the county executive:
- (a) negotiate for the purchase of or contract for all supplies and materials required by the county;
 - (b) submit all contracts and purchases negotiated by the purchasing agent under Subsection (3)(a) to the county executive for approval and ratification; and
 - (c) keep an accurate and complete record of all purchases and a detailed disposition of them and, when required by the county legislative body, make a complete and detailed report to it of business transacted.

26-8a-405. Selection of provider -- Public bid -- Public convenience and necessity.

- (1) (a) A political subdivision may contract with an applicant approved under Section 26-8a-404 to provide 911 ambulance or paramedic services for the geographic service area that is approved by the department in accordance with Subsection (2), if the political subdivision complies with the provisions of this section.
- (3) (a) (i) A political subdivision may select an applicant approved by the department under Section 26-8a-404 to provide 911 ambulance or paramedic services by contract let to the lowest, responsive, and responsible bidder after publication of notice at least once a week for three consecutive weeks in a newspaper of general circulation published in the county, or if there is no such newspaper, then after posting such notice for at least 20 days in at least five public places in the county.

- (ii) The applicants who are approved under Section 26-8a-405 and who are selected under Subsection (3)(a)(i) may be the political subdivision issuing the request for proposal, or any other public entity or entities, any private person or entity, or any combination thereof.
- (b) A political subdivision may reject all of the bids.
- (4) In seeking bids and awarding contracts under this section, a political subdivision:
 - (a) shall follow the provisions of Section 63-56-20;
 - (b) shall consider the public convenience and necessity factors listed in Subsections 26-8a-408(2), (3), and (4);
 - (c) shall require the applicant responding to the bid to disclose how the applicant will meet performance standards in the request for proposal;
 - (d) may not require or restrict an applicant to a certain method of meeting the performance standards; and
 - (e)
 - (i) shall require an applicant to submit the bid based on full cost accounting in accordance with generally accepted accounting principals; and
 - (ii) if the applicant is a governmental entity, in addition to the requirements of Subsection (4)(e)(i), in accordance with generally accepted government auditing standards and in compliance with the State of Utah Legal Compliance Audit Guide.

63-30d-804. Liability insurance -- Methods for purchase or renewal.

- (1) Except as provided in Subsection (2), a contract or policy of insurance may be purchased or renewed under this chapter only upon public bid to be let to the lowest and best bidder.
- (2) The purchase or renewal of insurance by the state shall be conducted in accordance with the provisions of Title 63, Chapter 56, Utah Procurement Code.

63-56-5. Definitions.

As used in this chapter:

- (14) "Local public procurement unit" means any political subdivision ...or public agency of any subdivision, public authority, educational, health, or other institution, and to the extent provided by law, any other entity which expends public funds for the procurement of supplies, services, and construction, *but not counties*, municipalities, political subdivisions created by counties ...under the Interlocal Cooperation Act...

72-6-108. Class B and C roads -- Improvement projects -- Contracts -- Retainage.

- (1) A county executive for class B roads and the municipal executive for class C roads shall cause plans, specifications, and estimates to be made prior to the construction of any

improvement project, as defined in Section 72-6-109, on a class B or C road if the estimated cost for any one project exceeds the bid limit as defined in Section 72-6-109 for labor, equipment, and materials.

- (2)
 - (a) All projects in excess of the bid limit shall be performed under contract to be let to the lowest responsible bidder.
 - (b) If the estimated cost of the improvement project exceeds the bid limit for labor, equipment, and materials, the project may not be divided to permit the construction in parts, unless each part is done by contract.
- (3) The advertisement on bids shall be published in a newspaper of general circulation in the county in which the work is to be performed at least once a week for three consecutive weeks. If there is no newspaper of general circulation, the notice shall be posted for at least 20 days in at least five public places in the county.
- (4) The county or municipal executive or their designee shall receive sealed bids and open the bids at the time and place designated in the advertisement. The county or municipal executive or their designee may then award the contract but may reject any and all bids.
- (5) The person, firm, or corporation that is awarded a contract under this section is subject to the provisions of Title 63, Chapter 56, Utah Procurement Code.
- (6) If any payment on a contract with a private contractor for construction or improvement of a class B or C road is retained or withheld, the payment shall be retained or withheld and released as provided in Section 13-8-5.

72-6-109. Class B and C roads -- Construction and maintenance -- Definitions -- Estimates lower than bids -- Accountability.

- (1) As used in this section and Section 72-6-108:
 - (a) "Bid limit" means:
 - (i) for the year 2003, \$125,000; and
 - (ii) for each year after 2003, the amount of the bid limit for the previous year, plus an amount calculated by multiplying the amount of the bid limit for the previous year by the lesser of 3% or the actual percent change in the Consumer Price Index during the previous calendar year.
 - (b) "Consumer Price Index" means the Consumer Price Index for All Urban Consumers as published by the Bureau of Labor Statistics of the United States Department of Labor.
 - (c)
 - (i) "Construction" means the work that would apply to:
 - (A) any new roadbed either by addition to existing systems or relocation;
 - (B) resurfacing of existing roadways with more than two inches of bituminous pavement; or
 - (C) new structures or replacement of existing structures, except the replacement of drainage culverts.

- (ii) "Construction" does not include maintenance, emergency repairs, or the installation of traffic control devices as described in Section 41-6-20.
 - (d) "Improvement project" means construction and maintenance as defined in this section except for that maintenance excluded under Subsection (2).
 - (e) "Maintenance" means the keeping of a road facility in a safe and usable condition to which it was constructed or improved, and includes:
 - (i) the reworking of an existing surface by the application of up to and including two inches of bituminous pavement;
 - (ii) the installation or replacement of guardrails, seal coats, and culverts;
 - (iii) the grading or widening of an existing unpaved road or flattening of shoulders or side slopes to meet current width and safety standards; and
 - (iv) horizontal or vertical alignment changes necessary to bring an existing road in compliance with current safety standards.
 - (f) "Project" means the performance of a clearly identifiable group of associated road construction activities or the same type of maintenance process, where the construction or maintenance is performed on any one class B or C road, within a half-mile proximity and occurs within the same calendar year.
- (2) The following types of maintenance work are not subject to the contract or bid limit requirements of this section:
- (a) the repair of less than the entire surface by crack sealing or patching; and
 - (b) road repairs incidental to the installation, replacement, or repair of water mains, sewers, drainage pipes, culverts, or curbs and gutters.
- (3) (a) (i) If the estimates of a qualified engineer referred to in Section 72-6-108 are substantially lower than any responsible bid received or in the event no bids are received, the county or municipality may perform the work by force account.
- (ii) In no event shall "substantially lower" mean estimates that are less than 10% below the lowest responsible bid.
- (b) If a county or municipality performs an improvement project by force account, it shall:
- (i) provide an accounting of the costs and expenditures of the improvement including material, labor, and direct equipment costs to be calculated using the Cost Reference Guide for Construction Equipment by Dataquest Inc.;
 - (ii) disclose the costs and expenditures to any person upon request and allow the person to make a copy and pay for the actual cost of the copy; and
 - (iii) perform the work using the same specifications and standards that would apply to a private contractor.